

## Appendix #15

### Contract Management Best Practices Matrix

CMG – Contract Management Guide

TAC – Texas Administrative Code

TGC – Texas Government Code

TPM – Texas Procurement Manual

COMPONENT	POOR	AVERAGE	BEST PRACTICE	REFERENCES
Processes	<ul style="list-style-type: none"> <li>No standard processes for contracting or compliance management</li> <li>Results in labor intensive processes, duplication of effort, and poorly written solicitations and contracts</li> <li>No contract or solicitation document templates. Every contract or solicitation document looks different</li> <li>No formal, repeatable process for consistent solicitation development</li> <li>Contract Managers not involved from “cradle to grave”</li> <li>Contract Management Guide is ignored or not consulted</li> <li>No effort to capture “lessons learned” and “best practices”</li> <li>No structured business planning process to determine sourcing and re-bid strategy</li> <li>No contract processes that overlap with existing project management practices are defined</li> </ul>	<ul style="list-style-type: none"> <li>Contract processes are defined at the division level, but are sporadically followed</li> <li>Sporadic compliance enforcement</li> <li>Contract templates utilized sporadically or limited availability of templates</li> <li>Limited formal, repeatable process for consistent solicitation development</li> <li>Contract managers assigned after award is made</li> <li>Contract Management Guide is used sporadically to address specific questions or concerns</li> <li>Undocumented “lessons learned” and “best practices” incorporated into processes</li> <li>Limited planning to determine solicitation efforts, re-bid strategies</li> <li>Contract processes that overlap with existing project management practices are defined, but are sporadically followed</li> </ul>	<ul style="list-style-type: none"> <li>Contracting process standardized agency-wide</li> <li>Proactive compliance enforcement</li> <li>Formal templates utilized for all solicitations and contracts</li> <li>Formal, repeatable process (e.g., project management methodology) for consistent solicitation development</li> <li>Contract managers are involved in writing solicitation, negotiating contract, managing contract and contract closeout</li> <li>The Contract Management Guide serves as a roadmap to guide the contracting process</li> <li>Active collection of “lessons learned” and “best practices” are leveraged for continuous improvement</li> <li>Active, formal business planning process</li> <li>Standardized agency-wide contracting process is comprehensively integrated with existing standardized agency-wide project management practices</li> </ul>	<ol style="list-style-type: none"> <li>CMG Ch.1,p.1,2, CMG Ch.7,p.4, Post Award Conf. Agenda, CMG Ch.2,p.9,10, Procurement Lead Time, TGC <a href="#">Section 2262.051 (h)</a>, <a href="#">Contract Management Guide; Rules</a>, TGC <a href="#">Section 2262.051(f)</a> <a href="#">Contract Management Guide; Rules</a>, TAC Title 34, Part 1, Chapter 20: Texas Procurement and Support Services, Subchapter G: Contract Procedures, TAC Title 34, Part 1, Chapter 20: Texas Procurement and Support Services, Subchapter C: Procurement , TPM Sect.2.4, Selecting a Procurement Method,</li> <li>TGC Section 2262.052 (a) Compliance With Guide</li> <li>CMG Intro.,p.5, Contract Mgt. Framework, Ch.2,p.1, Planning, CMG Ch.8,p.1, Contract Close Out, CMG Ch.7,p.22,23, Contract Admin. File., CMG Ch.3,p.15, Final Acceptance, TGC Section 2262.001(3) Definitions</li> <li>CMG Ch.7, p.2,3, Planning, TGC Section 2262.051(c). Contract Management Guide; Rules, TGC Section 2262.053. Training, CMG Ch.8,p.1, Contract Close Out, CMG Ch.7,p.22,23, Contract Admin. File., CMG Ch.3,p.15, Final Acceptance</li> <li>CMG Introduction,p.1,2, TGC Section 2262.051(a) Contract Management Guide; Rules</li> </ol>

Organization	<ul style="list-style-type: none"> <li>No structured contract management group</li> <li>Contracting decisions made and contracts managed by divisions/personnel “not in the know”</li> <li>No coordination between divisions involved in the procurement and contracting process</li> <li>Supporting team members (financial, legal, and purchasing, etc.) are not available to assist the contract manager</li> <li>No involvement of the end user/customer as subject matter expert during solicitation requirements gathering</li> <li>No executive support and involvement</li> </ul>	<ul style="list-style-type: none"> <li>Contract managers assigned not always the person with the expertise or knowledge</li> <li>Contracting decisions coordinated at division level, but not consistently</li> <li>Sporadic coordination between contract manager, legal, procurement, etc.</li> <li>Supporting team members (financial, legal, and purchasing, etc.) for any given contract assigned “ad hoc”</li> <li>Limited involvement of the end user/customer as subject matter expert during solicitation requirements gathering</li> <li>Executive support but limited involvement</li> </ul>	<ul style="list-style-type: none"> <li>Contract managers within each division possess technical and/or programmatic expertise and knowledge or have the expertise and knowledge readily available to them</li> <li>Contracting decisions involve all relevant parties</li> <li>Coordination and input from all relevant divisions to minimize risk and maximize compliance</li> <li>Contract management team members remain engaged through entire process – same staff assigned</li> <li>Active involvement of the end user/customer as subject matter expert during solicitation requirements gathering</li> <li>Executive support and active involvement</li> </ul>	<p>1. CMG Ch.2,p.2, Contract Mgt., TGC Section 2262.053 (A) Training, WOSG State Purchasing</p> <p>2. CMG Ch.2,p.2, Contract Mgt., CMG Ch.2,p.4, Communications Plan, CMG Ch.2,p.8, Research, CMG Ch.3,p.9, Agency’s Role, CMG Ch.3,p.11, Contractor Qualifications, Ch.4,p.6, Communication w/Respondents,</p> <p>3. CMG Ch.2,p.8, Research, Ch.2,p.2, Risk Mgt.,</p> <p>4. CMG Ch.2..p.2, General Planning, Contract Mgt., CMG Ch.4,p.13, Evaluation &amp; Award, Ch.2.p.7, Needs Assessment.</p>
Technology	<ul style="list-style-type: none"> <li>No contract repository or very basic automated folders for contract storage</li> <li>Manual compliance reviews</li> <li>Developing high level reports with quality contract information is nonexistent or is very labor intensive</li> </ul>	<ul style="list-style-type: none"> <li>Contracts repository supported at division level by basic storage system with little to no reporting capabilities</li> <li>Limited ability to track compliance</li> <li>High level reports have to be manually created from contract status reports or contract repository</li> </ul>	<ul style="list-style-type: none"> <li>Contract automation system that is searchable and allows for the uploading, monitoring and automated reporting of contracts</li> <li>Independent and formal mechanisms in place to track compliance for contract managers</li> <li>Amendments can be approved, uploaded, and tracked online</li> </ul>	<p>1. <a href="http://www.window.state.tx.us/procurement/pub/autopurch/cp/">http://www.window.state.tx.us/procurement/pub/autopurch/cp/</a>, TPM 2.31, Electronic State Business Daily (ESBD), TPM Sec.2.33, Centralized Master Bidders List (CMBL), WOSG, State Purchasing, Publications, Manuals and Reference Guides, On Line Purchasing System, Contract System, WOSG, State Purchasing, Publications, Reports,</p> <p>2. CMG Ch.7, p.15, Substantive Changes, WOSG State Purchasing</p>
Performance Metrics	<ul style="list-style-type: none"> <li>No involvement from contract manager or custodial division when developing deliverables/statement of work</li> <li>Poorly written, unclear or immeasurable deliverables and unclear association performance metrics and remedies or incentives</li> <li>Compliance and performance measured sporadically or inconsistently</li> </ul>	<ul style="list-style-type: none"> <li>Deliverables/statement of work developed by Legal or Procurement with minimal input from contract manager or custodial division</li> <li>Unclear distinction between specifications, requirements and deliverables and performance metrics and associated remedies or incentives</li> <li>Compliance and performance measured quarterly but more than monthly</li> </ul>	<ul style="list-style-type: none"> <li>Managing division and/or contract manager solely responsible for developing deliverables with input from Legal, Procurement, etc.</li> <li>Clear distinction of well-developed deliverables and performance metrics and associated remedies or incentives</li> <li>Compliance and performance measured consistently at least monthly</li> </ul>	<p>1. CMG Ch.3,p.14, Reporting, p.15, Final Acceptance, Ch.3,p.4, Elements of a Deliverable, CMG Ch.3,p.9, Established Standards</p> <p>2. CMG Ch.8,p.1, Contract Close Out, CMG Ch.7,p.22,23, Contract Admin. File., CMG Ch.3,p.15, Final Acceptance</p> <p>3. CMG Ch.7,p.2, Contract Mgr. Responsibilities, CMG Ch.7,p.6-12, Monitoring Performance, CMG Ch.3,p.14, Monitoring,</p>

Vendor Relations	<ul style="list-style-type: none"> <li>• Improper or excessive communication with vendors immediately preceding and during an active solicitation phase</li> <li>• Little to no communication between contract manager and vendor during an active contract</li> <li>• No clear lines of communication of contract issues or dispute resolution</li> </ul>	<ul style="list-style-type: none"> <li>• Communication with vendors during the solicitation phase</li> <li>• Sporadic communication between contract manager and vendor</li> <li>• Contract issues improperly reported and/or resolution sporadically enforced</li> </ul>	<ul style="list-style-type: none"> <li>• Properly routed communication with potential vendors (i.e., through the purchaser) during the active solicitation phase</li> <li>• Frequent communication between contract manager and vendor pertaining to all aspects of contract, including issues, technical assistance and overall progress of the contract</li> <li>• Dispute resolution or contract issue procedures clearly defined</li> </ul>	<p>1. CMG Ch.7,p.12, Reporting, TPM Sec.2.50, Vendor Performance, WOSG State Purchasing Vendor Performance,</p> <p>2. CMG Ch.7,p.17, Dispute Resolution, TGC Chapter 2260 Resolution Of Certain Contract Claims Against The State, , TAC Title 34, Part 1, Chapter 20: Texas Procurement and Support Services, Subchapter G: Contract Procedures</p>
Fiscal	<ul style="list-style-type: none"> <li>• Contract manager has little or no fiscal oversight capabilities</li> <li>• No contract manager record of payments made</li> <li>• No communication between Accounts Payable and Contract manager</li> </ul>	<ul style="list-style-type: none"> <li>• Contract manager approves payments</li> <li>• Contract manager keeps copies of approved invoices in desk file</li> <li>• Only communicates with Accounts Payable when there's a problem</li> </ul>	<ul style="list-style-type: none"> <li>• Contract manager approves all invoices, budget changes or fiscal amendments</li> <li>• Contract manager keeps a running payment log of all payments and what deliverables are covered by each payment</li> <li>• Contract manager routinely interacts with Accounts Payable regarding all fiscal contract matters, disputes, non-payment, etc.</li> </ul>	<p>1. CMG Intro.p.1, Purpose, CMG Ch.7,p.2, Contract Mgr. Resp., CMG Ch.7,p.8, Expenditure Document Review, CMG Ch.7,p.15,16, Substantive Changes, CMG Ch.7,p.13, Payment Approval, TAC Title 34, Part 1, Chapter 20: Texas Procurement and Support Services, Subchapter D: Payments</p> <p>2. CMG Ch.3,p.14, Reporting, p.15, Final Acceptance, TPM Sec. 2.57, USAS Requirements,</p> <p>3. CMG Ch.7,p.13, Payment Approval, TPM 2.54, Late Pmts., TAC Title 34, Part 1, Chapter 20: Texas Procurement and Support Services, Subchapter D: Payments</p>
Legal	<ul style="list-style-type: none"> <li>• Statutorily mandated terms and conditions are not present</li> </ul>	<ul style="list-style-type: none"> <li>• Some statutorily mandated terms and conditions are not present or regularly updated</li> </ul>	<ul style="list-style-type: none"> <li>• All statutorily mandated terms and conditions are present and regularly reviewed and updated by relevant staff</li> </ul>	<p>1. CMG Ch.1,p.1, CAT Review of Major Contracts, CMG Ch.3,p.15, Additional Issues to Consider, CMG Ch.6,p.6, Legal Elements of a Contract, CMG Ch.6,p.12,13, Contract Terms, TGC Section 2262.051(f). Contract Management Guide; Rules</p>
Training	<ul style="list-style-type: none"> <li>• Contract manager and/or purchasing staff do not have statutorily mandated training</li> </ul>	<ul style="list-style-type: none"> <li>• Purchasing staff has statutorily mandated certification (i.e., CTP, CTPM), but contract managers are not certified CTCMs</li> </ul>	<ul style="list-style-type: none"> <li>• Contract managers hold CTCM certification and purchasing staff holds CTP or CTPM certification</li> </ul>	<p>1.TPM Sec.1.1,Training &amp; Certification, p.4, WOSG web site <a href="http://www.window.state.tx.us/procurement/prog/training-cert/cmt/training/requirements/">http://www.window.state.tx.us/procurement/prog/training-cert/cmt/training/requirements/</a>, TGC Section 2155.078. Training And Certification Of State Agency Purchasing Personnel And Vendors, TGC Section 2262.053. Training, TPM Sec.1.1, Contract Mgr. Training</p> <p>2.TPM Sec.1.1,Training &amp; Certification, p.3, WOSG web site <a href="http://www.window.state.tx.us/procurement/prog/training-cert/purchtrn_cert/training/training-and-certification-requirements-for-procurement-personnel/">http://www.window.state.tx.us/procurement/prog/training-cert/purchtrn_cert/training/training-and-certification-requirements-for-procurement-personnel/</a>, TGC, Section 2155.078. Training And Certification Of State Agency Purchasing Personnel And Vendors, TPM Sec.1.1, Certified Texas Procurement Manager (CTPM)</p>

